

COLORADO OPERATIONS

Henderson Mine 1746 County Road 202 Empire, CO 80438 Phone (303) 569-3221

December 7, 2021

Sent Via Email

Mr. Peter Hays State of Colorado Division of Reclamation, Mining and Safety 1313 Sherman St., Rm. 215 Denver, CO 80203

Re: Mine Groundwater NPL Exceedance Notification, Permit No. M-1977-342

Dear Mr. Hays:

In accordance with Section 5.3 of the Groundwater Management Plan, Henderson is providing this written notification of a numeric protection limit (NPL) exceedance for pH at groundwater point of compliance (POC) well MNGW-1, downgradient of the Henderson Mine. Since this notification is being provided within 10-days of receiving the analytical results, we request that it also fulfill the verbal notification requirement.

Per the October 25, 2021 letter from Patrick Lennberg and subsequent correspondence with you, the DRMS would like Henderson to resume monthly monitoring at MNGW-1 for pH only. Additionally, while monthly sampling is being carried out, a follow-up sample is not considered necessary to confirm results of a pH NPL exceedance.

MNGW-1 was sampled on November 30, 2021, resulting in a measured pH value of 6.3 standard units (s.u.) which is outside the NPL of 6.5-8.5 s.u. This result does not appear to be anomalous or an obvious outlier and is consistent with historical pH levels as assessed in the pH investigation study submitted to the DRMS in April 2021.

If you have any questions, please feel free to contact me at 720-942-3255.

Sincerely,

Miguel Ho

Miguel Hamarat Environmental Manager Climax Molybdenum Company Henderson Operations

cc (via email): G. Niggeler, Climax